

**EXHIBIT 4**  
**(ORIGINAL PETITION FOR DECLARATORY**  
**JUDGMENT WITH EXHIBIT A)**

CAUSE NO. \_\_\_\_\_

DAMON CHARGOIS	§	IN THE DISTRICT COURT
	§	
	§	
VS.	§	HARRIS COUNTY, TEXAS
	§	
LABATON SUCHAROW,	§	
ERIC J. BELFI,	§	
AND CHRISTOPHER L. KELLER	§	____ JUDICIAL DISTRICT

**ORIGINAL PETITION FOR DECLARATORY JUDGMENT**

DAMON CHARGOIS, Plaintiff herein, files this Original Petition for Declaratory Relief, and in support hereof would respectfully show the Court the following:

**I. DISCOVERY CONTROL PLAN AND RELIEF SOUGHT**

1. Plaintiff DAMON CHARGOIS intends to conduct discovery under Level 3 of TEX. R. Civ. P. 190.3.
2. Plaintiff DAMON CHARGOIS seeks a declaratory judgment and is not seeking monetary relief in excess of \$75,000.00.

**II. PARTIES AND SERVICE**

3. Plaintiff DAMON CHARGOIS is an attorney licensed and actively practicing law in Houston, Harris County, Texas.
4. Defendant Labaton Sucharow, LLP is a New York based law firm conducting business in Houston, Texas for the purposes of the agreements making the basis of this lawsuit. As a non-resident defendant, they can be properly served with process through the Texas Secretary of State, Service of Process, P.O. Box 12079, Austin, Texas 78711-2079 and by delivering to Eric J. Belfi of Labaton Sucharow, LLP, 140 Broadway, New York, NY 10005.

5. Defendant Christopher L. Keller, is the Chairman and Head of Executive Committee of Defendant Labaton Sucharow, LLP. As a non-resident defendant, he can be properly served with process through the Texas Secretary of State, Service of Process, P.O. Box 12079, Austin, Texas 78711-2079 and by delivering to Eric J. Belfi of Labaton Sucharow, LLP, 140 Broadway, New York, NY 10005.

6. Defendant Eric J. Belfi, is a partner of Defendant Labaton Sucharow, LLP. As a non-resident defendant, they can be properly served with process through the Texas Secretary of State, Service of Process, P.O. Box 12079, Austin, Texas 78711-2079 and by delivering to Eric J. Belfi of Labaton Sucharow, LLP, 140 Broadway, New York, NY 10005.

### **III. JURISDICTION AND VENUE**

7. The subject matter in controversy is within the jurisdictional limits of this Court.

8. Pursuant to Tex. Civ. Prac. & Rem. Code §17.042, this Court has jurisdiction over the non-resident Defendants. Defendants purposefully availed themselves of the jurisdiction of the instant court, when they travelled to the state to conduct business with Plaintiff on a continuing basis since 2007. *See Exhibit A, Page 21, and Page 22-25.* Defendants presented the terms of the agreement during trips to the State of Texas and engaged in negotiations of the agreement making the basis of the lawsuit in the State of Texas. *See Id., Page 13 & Page 52.*

9. Venue in this Court is proper pursuant to Tex. Civ. Prac. & Rem. Code § 15.002(a)(1)(4) and §15.006, in as much as the negotiations and initial agreement making the basis of the lawsuit took place in Houston, Harris County, Texas.

#### **IV. FACTS**

10. On October 2, 2017, Plaintiff Damon Chargois testified at length about the agreement making the basis of this lawsuit. *See Exhibit A*. As he explained, Plaintiff Damon Chargois was contacted by Defendant Eric Belfi in late 2006 to use his local and/or liaison counsel services in securities litigation cases. *See Exhibit A, Page 21*. At the time, the Labaton Defendants were embroiled in securities litigation in Houston, Harris County, involving HCC Holdings. The Labaton Defendants asked Plaintiff Chargois to associated himself with the case:

“When Eric Belfi came down...He came down to Houston I believe it was for a hearing in the HCC matter. We got to know each other in talking what you do, what do you do, what else do you do, and I told him that we had a Little Rock law firm...We just started talking about what else we did, and he told me that part of his job at Labaton was to—I don’t remember the words, but it’s along the lines of client development is how I understood it...” *See Exhibit A “Deposition of Damon Chargois”, dated October 2, 2017 pg. 21-22.*

11. As the HCC matter progressed, so too did the relationship between Plaintiff Labaton progressed. Plaintiff attended the mediation and some hearings in the case:

“THE SPECIAL MASTER: Did you provide office space for the folks – for Labaton folks when they came in?

THE WITNESS: I believe they used my office once, and then we went to court. The other times they flew in, and I either picked ‘em up from the

airport and went to court, or I met them in court.” *See Exhibit A “Deposition of Damon Chargois”, dated October 2, 2017 pg. 25.*

12. After a successful result in the HCC Securities Litigation, due in large part to Chargois’ involvement, the Labaton Defendants engaged in healthy discussions/negotiations about continuing their working relationship with the Plaintiff. During that conversation in Houston, the parties came to agreement that for each and every case that Damon Chargois acted as local and/or liaison counsel, then Defendant Labaton would compensate Plaintiff Chargois. The agreed compensation would be twenty percent (20%) of all attorneys’ fees recovered for the case. *See Exhibit A, page 50.*

13. The parties’ agreement has been honored and should have been abided by Chargois and the Labaton Defendants since 2007. Yet, the Labaton Defendants have made a habit of asking Chargois to take an amount less than 20%. The Labaton Defendants have paid and continue to pay the negotiated amount for each case where Chargois is associated. *See Exhibit A, Pages 70-73, 152.*

14. Plaintiff Chargois gave testimony in a judicial proceeding questioning the legitimacy of attorneys’ fees in one the cases that were part of the Chargois & Labaton agreement. *See Exhibit A.* After review, decision, and appeal, the attorneys’ fees awarded to Labaton in that case have been finalized. As of March 12, 2021, all parties and counsel are aware that distributions from the settlement proceeds are proper and should occur.

15. With the conclusion of the previous matter, Plaintiff Chargois expected to continue receiving payments from the Chargois & Labaton matters. With neither a cognizable nor legal reason, Labatan Defendants have now asserted that Chargois is no longer entitled to any payments as a result of their long-standing agreement. Accordingly, Plaintiff Damon Chargois now files this

instant suit to ensure payment for his contracted and previously completed work as a local and/or liaison counsel.

#### **V. DECLARATORY JUDGMENT**

16. Incorporating the pertinent testimony found in Exhibit A and the Texas Civil Practices and Remedies Code, Plaintiff Damon Chargois seeks a Declaratory Judgment in this instant case that the Labaton Defendants are estopped from not paying the agreed upon fee for local and/or liaison counsel work. *See* Tex.Civ.Prac.Rem §37.001, et. seq.

17. A declaratory judgment is proper when there is a discernable dispute between the parties and their applicable rights and remedies. *See Bonham State Bank v. Beadle*, 907 S.W. 2d 465, 467 (Tex. 1995). The controversy need not be completely ripe, but rather litigation is imminent and unavoidable. *See Unauthorized Practice of Law Cmte. v. Nationwide Mut. Ins.*, 155 S.W. 3d 590, 595 (Tex.App. – San Antonio 2004, pet. denied.).

18. The Court is right and just to considered two elements (1) the fitness of the issues for judicial review; and (2) the hardship occasioned to a party by the Court's denying judicial review. *See Juliff Gardens, L.L.C. v. Texas Comm'n on Envtl. Quality*, 131 S.W.3d 271, 277 (Tex. App. – Austin 2004, no pet.)

19. In this case, Plaintiff Chargois has received no communication from the Labaton Defendants ending their long-standing agreement. There is no indication that the Labaton Defendants have fully completed their obligations under the terms of their agreements. In the absence of proper notice, proper accounting and proper payments, Plaintiff Chargois is entitled to declaratory relief. Plaintiff Chargois, who is at a great disadvantage in his own pursuits to protect his right under the Chargois & Labaton Agreement, seeks this Court's assistance in ensuring the contract obligations are met.

**VI. ATTORNEYS' FEES**

20. As this is a suit for declaratory relief, Plaintiff Damon Chargois is entitled to recover reasonable and necessary attorneys' fees. See Tex. Civ. Prac. & Rem. Code §37.009.

**VII. PRAYER**

**WHEREFORE, PREMISES CONSIDERED**, Plaintiff prays that Defendants be cited to appear and answer herein, and that on final trial hereof declaratory judgment be granted as requested herein and Plaintiffs be awarded costs and reasonable and necessary attorney's fees, and for such other and further relief that may be awarded at law or in equity.

**SORRELS LAW**

/s/ Randall O. Sorrels

Randall O. Sorrels

State Bar No. 10000000

Alexandra Farias-Sorrels

State Bar No. 24074197

5300 Memorial Dr., Suite 270

Houston, Texas 77007

Tel: (713) 496-1100

Fax: (713) 238-9500

randy@sorrelslaw.com

alex@sorrelslaw.com

## Murray Fogler

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**From:** Angie House <angie@sorrelslaw.com>  
**Sent:** Monday, July 12, 2021 4:47 PM  
**To:** Murray Fogler  
**Subject:** RE: Chargois v. Labaton Sucharow  
**Attachments:** Ex. A.pdf

Here's the Exhibit A

**Angie House**  
Senior Professional Assistant



5300 Memorial Dr., Suite 270 | Houston, TX 77007  
Main: 713-496-1100 | Direct: 713-226-5156 | Cell: 713-569-2523  
[Angie@SorrelsLaw.com](mailto:Angie@SorrelsLaw.com)

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**From:** Murray Fogler <mfogler@foglerbrar.com>  
**Sent:** Tuesday, July 6, 2021 10:22 AM  
**To:** Angie House <angie@sorrelslaw.com>; Randall Sorrels <Randy@sorrelslaw.com>; Alexandra Farias-Sorrels <alex@sorrelslaw.com>  
**Subject:** RE: Chargois v. Labaton Sucharow

Angie,

When you have a moment, could you send me a copy of the exhibit that is referenced in the petition?

Thank you,  
Murray

**REDACTED**



**Damon Chargois**

**1**

**Volume: 1**

**Pages: 1-330**

**JAMS**

**Reference No. 1345000011/C.A. No. 11-10230-MLW**

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**In Re: STATE STREET ATTORNEYS FEES**  
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**BEFORE: Special Master Honorable Gerald Rosen,  
United States District Court, Retired**

**DEPOSITION of DAMON J. CHARGOIS  
October 2, 2017, 9:16 a.m.-5:01 p.m.**

**JAMS**

**One Beacon Street  
Boston, Massachusetts**

**Court Reporter: Paulette Cook, RPR/RMR**

**Jones & Fuller Reporting  
617-451-8900 603-669-7922**

In Re: State Street Attorneys Fees

Damon Chargois  
October 02, 2017

<p style="text-align: right;">Page 18</p> <p>1 A. I believe so in that case, yeah.</p> <p>2 Q. All right. So describe what the HCC</p> <p>3 Holdings case was about and what you did on behalf</p> <p>4 of Labaton.</p> <p>5 A. It was a securities fraud type of case on</p> <p>6 the civil side. Don't know much more substance than</p> <p>7 that.</p> <p>8 And what I did was appear at one or two</p> <p>9 hearings with them. I believe -- I believe on that</p> <p>10 case I sponsored at least one of their lawyers to</p> <p>11 appear in court.</p> <p>12 Q. Pro hac vice?</p> <p>13 A. Sorry. Pro hac vice.</p> <p>14 Q. Okay.</p> <p>15 A. And at the appropriate time I believe I</p> <p>16 attended the mediation. I may be missing a couple</p> <p>17 of things but nothing of substance on the case.</p> <p>18 Q. Okay. And was the case resolved at some</p> <p>19 point?</p> <p>20 A. Yes, sir.</p> <p>21 Q. And how was it resolved?</p> <p>22 A. Settlement.</p> <p>23 Q. And what was your participation in that?</p> <p>24 Did you have a role in that, or was that</p>	<p style="text-align: right;">Page 20</p> <p>1 A. Yes, sir.</p> <p>2 Q. And when you met them in Little Rock, what</p> <p>3 did they ask you to do?</p> <p>4 A. They were interested in having a connection</p> <p>5 to Arkansas and to Little Rock and making inroads,</p> <p>6 and they asked me to help them make introductions.</p> <p>7 Q. Okay. And when you say they asked you to</p> <p>8 make introductions, what type of persons did they</p> <p>9 want to meet?</p> <p>10 A. Eric explained to me that he -- part of his</p> <p>11 job at Labaton was networking and client development</p> <p>12 or cultivation -- I don't remember the word but</p> <p>13 something along those lines, and that they did not</p> <p>14 have a presence in Little Rock and that we did and</p> <p>15 that if we could help introduce them to</p> <p>16 institutional investors or folks that could help</p> <p>17 them get introductions to institutional investors.</p> <p>18 Q. And what was the basis of your knowledge of</p> <p>19 institutional investors?</p> <p>20 A. I had none.</p> <p>21 THE SPECIAL MASTER: Again, if you could</p> <p>22 just give us a timeframe.</p> <p>23 THE WITNESS: Around the same timeframe.</p> <p>24 Early 2007.</p>
<p style="text-align: right;">Page 19</p> <p>1 handled by Labaton's attorneys?</p> <p>2 A. It was handled by Labaton attorneys.</p> <p>3 Q. And did you assist in some fashion?</p> <p>4 A. No.</p> <p>5 Q. Okay. So it was handled exclusively by</p> <p>6 Labaton?</p> <p>7 A. Yes, sir.</p> <p>8 Q. All right. And in the course of working on</p> <p>9 behalf of Labaton in the HCC Holdings case, in</p> <p>10 addition to Eric Belfi, did you meet any other</p> <p>11 attorneys?</p> <p>12 A. Yes, sir.</p> <p>13 Q. Who did you meet?</p> <p>14 A. Chris Keller.</p> <p>15 Q. All right. And when did you meet Chris</p> <p>16 Keller? At what stage in the proceedings?</p> <p>17 A. I met him first -- I was -- I believe the</p> <p>18 order of it is I met him either as we were</p> <p>19 discussing serving as local counsel somewhere around</p> <p>20 that time early on, but I believe I first met him</p> <p>21 when he and Eric Belfi came down, and I went up, and</p> <p>22 we met in Arkansas.</p> <p>23 Q. Okay. So your recollection is that you met</p> <p>24 Belfi and Keller together in Little Rock?</p>	<p style="text-align: right;">Page 21</p> <p>1 THE SPECIAL MASTER: Same timeframe as</p> <p>2 the HCC case?</p> <p>3 THE WITNESS: Yes, sir.</p> <p>4 THE SPECIAL MASTER: Was the case still</p> <p>5 ongoing? Had it mediated yet?</p> <p>6 THE WITNESS: No, sir.</p> <p>7 THE SPECIAL MASTER: So this was almost</p> <p>8 at the outset of the relationship in the HCC case?</p> <p>9 THE WITNESS: Almost, yes.</p> <p>10 BY MR. SINNOTT:</p> <p>11 Q. Why do you think Labaton asked you to help</p> <p>12 them meet institutional investors when you didn't</p> <p>13 have any history in that world?</p> <p>14 A. When Eric Belfi came down -- this is prior</p> <p>15 to Little Rock. He came down to Houston I believe</p> <p>16 it was for a hearing in the HCC matter. We got to</p> <p>17 know each other in talking what do you do, what do</p> <p>18 you do, what else do you do, and I told him that we</p> <p>19 had a Little Rock law firm --</p> <p>20 MR. McTIGUE: If you want to listen, you</p> <p>21 can do this. We got this --</p> <p>22 MR. SINNOTT: We can hear you.</p> <p>23 THE SPECIAL MASTER: Brian?</p> <p>24 MR. McTIGUE: Excuse me.</p>

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1 **MR. SINNOTT:** Thank you.  
 2 **BY MR. SINNOTT:**  
 3 Q. I'm sorry.  
 4 A. Sure.  
 5 Q. Eric had come down to Houston.  
 6 A. Right.  
 7 Q. And what did he say to you?  
 8 A. We just started talking about what else we  
 9 did, and he told me that part of his job at Labaton  
 10 was to -- I don't remember the words, but it's along  
 11 the lines of client development is how I understood  
 12 it.  
 13 (Interruption.)  
 14 **MR. KELLY:** Pardon me. She's alerting  
 15 me someone's trying to dial in.  
 16 **MR. SINNOTT:** Has someone else joined  
 17 the call-in line?  
 18 **THE SPECIAL MASTER:** Do you know who it  
 19 is?  
 20 **UNIDENTIFIED SPEAKER:** No, but I could  
 21 find out.  
 22 **MR. SINNOTT:** If anyone else joins the  
 23 phone line, please identify yourself, but we're  
 24 waiting for another party to call in.

Page 23

1 **MS. LUKEY:** You may have to set up  
 2 somebody's iPhone on speaker.  
 3 **THE REPORTER:** I'm going to go off the  
 4 record then.  
 5 (Off the record.)  
 6 **MR. SINNOTT:** Michael, welcome to the  
 7 call. Probably a little bit more complicated than  
 8 you thought it would be.  
 9 **MR. SMITH:** It's fine.  
 10 **MR. SINNOTT:** All right, Michael.  
 11 Thanks. We'll proceed. Can everyone else hear us?  
 12 **COUNSEL ON TELECONFERENCE:** Yes.  
 13 **MR. SINNOTT:** I wanted to make sure we  
 14 hadn't gone mute there.  
 15 **TELECON VOICE MESSAGE:** The following  
 16 participant has entered the conference.  
 17 **MR. SINNOTT:** Is someone else on the  
 18 line?  
 19 **MR. VALLEE:** Sorry, Bill. I dropped off  
 20 by accident.  
 21 **MR. SINNOTT:** Okay. Jim.  
 22 **MR. VALLEE:** Apologize.  
 23 **MR. SINNOTT:** We're all set. Thanks.  
 24 **BY MR. SINNOTT:**

Page 24

1 Q. So when we left off, Damon, Judge Rosen and  
 2 I had asked you about your meetings with -- how you  
 3 came to know Eric Belfi and Chris Keller.  
 4 You had been approached by Eric Belfi in  
 5 Houston as part of Labaton's desire to hire local  
 6 counsel for the HCC Holdings case. And at some  
 7 point in time in Little Rock you met Christopher  
 8 Keller along with Eric Belfi. They came down there  
 9 together.  
 10 So in addition to looking for local  
 11 counsel in HCC Holdings as I understand it -- and  
 12 please correct me if I'm wrong -- they were hoping  
 13 you could make some inroads, some client  
 14 development, as you described it, with institutional  
 15 investors. Is that an accurate summary?  
 16 A. Yes.  
 17 **MR. MARX:** Just to be clear, Bill, I  
 18 think he said he was serving as local counsel in HCC  
 19 Holdings --  
 20 **THE SPECIAL MASTER:** Yeah --  
 21 **MR. MARX:** -- at the time of the  
 22 introduction.  
 23 **THE SPECIAL MASTER:** -- and that was in  
 24 Houston.

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1 **THE WITNESS:** Yes, sir.  
 2 **THE SPECIAL MASTER:** Was HCC an MDL?  
 3 **THE WITNESS:** No, sir.  
 4 **THE SPECIAL MASTER:** No?  
 5 **THE WITNESS:** Wait a second. I don't  
 6 think it was.  
 7 **BY MR. SINNOTT:**  
 8 Q. But your testimony was you had very little  
 9 participation in that case other than sponsoring  
 10 someone pro hac vice and --  
 11 A. I attended the mediation.  
 12 Q. You attended the mediation. Okay.  
 13 **MR. MARX:** And appeared in court?  
 14 **THE WITNESS:** And I appeared in court.  
 15 **THE SPECIAL MASTER:** Did you provide  
 16 office space for the folks -- for Labaton folks when  
 17 they came in?  
 18 **THE WITNESS:** I believe they used my  
 19 office once, and then we went to court.  
 20 The other times they flew in, and I  
 21 either picked 'em up from the airport and went to  
 22 court, or I met them in court.  
 23 **BY MR. SINNOTT:**  
 24 Q. Now in addition to Mr. -- Attorney Belfi and

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<p style="text-align: right;">Page 50</p> <p>1 or institutional investors as I am able to.</p> <p>2 Q. Okay. And who were some of those other</p> <p>3 folks that you introduced them to, Damon?</p> <p>4 A. Over the years, Texas Teachers Pension Fund,</p> <p>5 Houston Municipal Employees Pension Fund, the</p> <p>6 Houston Firefighters -- I don't think he was on the</p> <p>7 board, but he was prominent within Houston</p> <p>8 Firefighters, a gentleman.</p> <p>9 And as far as institutional investors</p> <p>10 go, that's it.</p> <p>11 Q. Okay. As a result of your having made this</p> <p>12 introduction of Labaton to Arkansas Teachers, did</p> <p>13 you come to an agreement or a contract or something</p> <p>14 formal or informal with respect to your ongoing</p> <p>15 relationship with Labaton?</p> <p>16 A. Yes, sir.</p> <p>17 Q. Could you tell us about that?</p> <p>18 A. Sure. If the -- the agreement as they</p> <p>19 presented it to me was if ultimately they are</p> <p>20 selected to represent any institutional investor</p> <p>21 that I facilitated an introduction to, if they are</p> <p>22 successful in obtaining a recovery, they would split</p> <p>23 their attorneys' fees with my firm 80 percent/20</p> <p>24 percent.</p>	<p style="text-align: right;">Page 52</p> <p>1 THE WITNESS: No. I believe that was</p> <p>2 another occasion.</p> <p>3 THE SPECIAL MASTER: Okay.</p> <p>4 THE WITNESS: When they came to Little</p> <p>5 Rock to meet with myself, and I believe Tim was</p> <p>6 there as well --</p> <p>7 THE SPECIAL MASTER: Oh, okay.</p> <p>8 THE WITNESS: -- in our offices, they</p> <p>9 said here's what we're interested in. We would like</p> <p>10 to have a presence in Little Rock. We don't have</p> <p>11 one currently.</p> <p>12 We'd like a presence in Houston because</p> <p>13 we don't have one currently. We like to work with</p> <p>14 local counsel. You're local counsel.</p> <p>15 And they presented the arrangements I</p> <p>16 just told you about.</p> <p>17 THE SPECIAL MASTER: So this was almost</p> <p>18 at the outset of the relationship then?</p> <p>19 THE WITNESS: Yes, sir.</p> <p>20 THE SPECIAL MASTER: And you began</p> <p>21 talking with any level of specificity about how the</p> <p>22 relationship would be managed and compensation for</p> <p>23 the relationship for you?</p> <p>24 THE WITNESS: Yes, sir.</p>
<p style="text-align: right;">Page 51</p> <p>1 Q. So you would receive 20 percent of the</p> <p>2 attorneys' fees?</p> <p>3 A. Yes, sir.</p> <p>4 Q. And they would receive 80 percent?</p> <p>5 A. Yes, sir.</p> <p>6 THE SPECIAL MASTER: Was that in all</p> <p>7 cases in which they would be counsel to a party that</p> <p>8 you had helped to facilitate the relationship with?</p> <p>9 THE WITNESS: Yes, sir.</p> <p>10 THE SPECIAL MASTER: Not limited to</p> <p>11 Arkansas?</p> <p>12 THE WITNESS: Correct.</p> <p>13 THE SPECIAL MASTER: And when did you</p> <p>14 begin having these discussions? This will be a</p> <p>15 compound question, but you can break it down.</p> <p>16 THE WITNESS: Sure.</p> <p>17 THE SPECIAL MASTER: Were the</p> <p>18 discussions with Eric Belfi or Chris Keller or both?</p> <p>19 THE WITNESS: Good question.</p> <p>20 When Eric Belfi and Chris Keller came</p> <p>21 down to Little Rock that first time that we'd</p> <p>22 already talked about --</p> <p>23 THE SPECIAL MASTER: To meet with</p> <p>24 Senator Farris?</p>	<p style="text-align: right;">Page 53</p> <p>1 THE SPECIAL MASTER: Okay.</p> <p>2 MR. MARX: I think the record's clear</p> <p>3 now based on the followup questions, but your</p> <p>4 question earlier, Bill, was as a result of this RFP</p> <p>5 process and Little Rock what was the nature of the</p> <p>6 agreement between Damon's firm and Labaton.</p> <p>7 I think it's clear now that that was an</p> <p>8 initial conversation about an overarching agreement</p> <p>9 which included --</p> <p>10 THE SPECIAL MASTER: Correct me if I'm</p> <p>11 wrong. I don't want to misstate it, but it sounds</p> <p>12 like the commercial piece of the relationship</p> <p>13 between you and Labaton actually began almost at the</p> <p>14 outset of the relationship that there was some</p> <p>15 understanding about how you would be compensated --</p> <p>16 I say "you," I mean your firm.</p> <p>17 THE WITNESS: That's correct.</p> <p>18 BY MR. SINNOTT:</p> <p>19 Q. And with respect to Arkansas Teachers,</p> <p>20 Damon, how many other cases resulted from that</p> <p>21 introduction that you had made of Labaton to</p> <p>22 Arkansas?</p> <p>23 And when I say Arkansas, I'm using that</p> <p>24 as shorthand for Arkansas Teachers.</p>

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<p style="text-align: right;">Page 70</p> <p>1 facilitated?</p> <p>2 <b>THE WITNESS:</b> Yes, sir.</p> <p>3 <b>THE SPECIAL MASTER:</b> But no separate</p> <p>4 additional facilitation in this case, correct?</p> <p>5 <b>THE WITNESS:</b> That's correct.</p> <p>6 <b>BY MR. SINNOTT:</b></p> <p>7 Q. How about the K12 case?</p> <p>8 <b>MS. LUKEY:</b> I'm sorry?</p> <p>9 <b>MR. SINNOTT:</b> K12.</p> <p>10 <b>THE SPECIAL MASTER:</b> K12.</p> <p>11 <b>MS. LUKEY:</b> Thank you.</p> <p>12 A. K12 was an Arkansas Teachers case.</p> <p>13 It's going back a little bit, but I</p> <p>14 believe -- don't hold me to it, but I believe the</p> <p>15 attorneys fee that Labaton collected in that case</p> <p>16 was just shy of two million dollars, and our -- my</p> <p>17 firm's payment was around -- between 150 and</p> <p>18 \$200,000. That was the negotiated figure.</p> <p>19 Q. Spectrum Pharmaceuticals?</p> <p>20 A. Yes, sir.</p> <p>21 Q. Was that an Arkansas case?</p> <p>22 A. Yes, sir.</p> <p>23 Q. And tell us about that.</p> <p>24 A. Well, Spectrum and another one called Vocera</p>	<p style="text-align: right;">Page 72</p> <p>1 A. No, sir.</p> <p>2 Q. Were you approached on that case?</p> <p>3 A. Was I approached?</p> <p>4 Q. By anyone looking for introductions.</p> <p>5 A. No, sir.</p> <p>6 Q. All right. So Garrett Bradley didn't</p> <p>7 approach you?</p> <p>8 A. I guess I'm confused by "approach." I'm</p> <p>9 local counsel in that case.</p> <p>10 Q. Oh, you are local counsel.</p> <p>11 A. Yes, sir.</p> <p>12 Q. Please tell us about that.</p> <p>13 A. Labaton had a desire to pursue an individual</p> <p>14 action against BP with Arkansas Teachers as a</p> <p>15 client, and they asked me would I -- and they wanted</p> <p>16 to file it in Houston.</p> <p>17 That's where a lot of the BP matters --</p> <p>18 Houston and New Orleans -- were being litigated.</p> <p>19 And they asked me to serve as local counsel in that</p> <p>20 matter.</p> <p>21 Q. Was that resolved?</p> <p>22 A. No, sir.</p> <p>23 Q. It's ongoing?</p> <p>24 A. Yes, sir.</p>
<p style="text-align: right;">Page 71</p> <p>1 resolved around the same time. And, um, I believe --</p> <p>2 so I've always viewed them together. I believe --</p> <p>3 <b>THE SPECIAL MASTER:</b> Were they both</p> <p>4 Arkansas cases?</p> <p>5 <b>THE WITNESS:</b> Yes, sir.</p> <p>6 A. I believe the overall attorneys' fee for</p> <p>7 Labaton was around 4-and-a-half million dollars,</p> <p>8 maybe 4 -- 4-and-a-half million dollars, and my</p> <p>9 firm's negotiated fee was \$105,000 for one and</p> <p>10 \$240,000, give or take, for the other.</p> <p>11 Q. Okay. How about in re A10 Networks</p> <p>12 shareholder litigation? Does that sound familiar?</p> <p>13 A. No, sir.</p> <p>14 Q. Okay. And you said earlier that you had a</p> <p>15 role or received payment for the Netflix case?</p> <p>16 A. That was dismissed.</p> <p>17 Q. It was dismissed. So you didn't get</p> <p>18 anything out of that?</p> <p>19 A. No, sir.</p> <p>20 Q. And Labaton didn't get anything out of that?</p> <p>21 A. Not that I know of.</p> <p>22 Q. How about the BP Oil matter?</p> <p>23 A. Yes, sir.</p> <p>24 Q. Did you receive any payments from that case?</p>	<p style="text-align: right;">Page 73</p> <p>1 Q. And is that the ongoing case that you</p> <p>2 referred to earlier in your testimony?</p> <p>3 A. It is.</p> <p>4 Q. That's it?</p> <p>5 A. (Nods head.)</p> <p>6 <b>THE SPECIAL MASTER:</b> So you actually</p> <p>7 filed an appearance in that case in Houston?</p> <p>8 <b>THE WITNESS:</b> Yes, sir.</p> <p>9 <b>THE SPECIAL MASTER:</b> Are you performing</p> <p>10 work in the case?</p> <p>11 <b>THE WITNESS:</b> I've attended two hearings</p> <p>12 and filed a matter under seal where we walk it to</p> <p>13 the courthouse in a sealed envelope and do that.</p> <p>14 Other than that, no.</p> <p>15 <b>THE SPECIAL MASTER:</b> Depositions,</p> <p>16 discovery work, anything?</p> <p>17 <b>THE WITNESS:</b> No depositions. No</p> <p>18 discovery work.</p> <p>19 <b>THE SPECIAL MASTER:</b> Is the case in</p> <p>20 mediation?</p> <p>21 <b>THE WITNESS:</b> No, sir.</p> <p>22 <b>BY MR. SINNOTT:</b></p> <p>23 Q. When did you learn about the State Street</p> <p>24 case?</p>



In Re: State Street Attorneys Fees

Damon Chargois  
October 02, 2017

<p style="text-align: right;">Page 150</p> <p>1 that Chris is working on an agreement in writing.  2 So I am including him on this e-mail. I don't know  3 how formal you guys want to be on this, but you  4 probably notice that I am pretty informal and rely  5 more on our mutual trust and respect with each other  6 to carry the day. That said, I think it's important  7 for us to lay out our understanding of our agreement  8 with respect to the gathering of pension fund  9 business.  10 We have agreed that Chargois &amp; Herron,  11 LLP shall receive 20 percent of the gross attorney  12 fees recovered by Labaton Sucharow on any litigation  13 or claims process brought on behalf of the Arkansas  14 Teacher Retirement Pension Fund. We have also  15 agreed to the same payment terms shall apply to any  16 other pension fund or retirement fund representation  17 that Labaton Sucharow obtains via contacts through  18 Chargois &amp; Herron.  19 This includes introductions to funds in  20 Atlanta, Richmond and Georgia via Frank Stout in  21 addition to Chargois &amp; Herron, LLP and CMH's  22 contacts. Eric, much earlier you and I had agreed  23 that CMH would receive 10 percent of gross attorney  24 fees received by Labaton for any pension fund</p>	<p style="text-align: right;">Page 152</p> <p>1 Q. Okay. I've seen his name in several spots  2 and just couldn't quite figure out who he was. All  3 right. Thank you.  4 And if you'd take a look at a document  5 dated February 12, 2009 which is the following day  6 at 9:56 p.m., and this is LBS 030992. It's a  7 one-page document.  8 And Eric writes to Christopher with the  9 subject again being you, Damon, and says, "I spoke  10 to Damon, and we are on the same page as making  11 adjustments, if necessary."  12 So was there a followup telephone call  13 after you had sent the e-mail that we just reviewed  14 on February 11th?  15 A. I believe so.  16 Q. All right. Do you remember the discussion  17 that you had with Eric during that conversation?  18 A. Vaguely.  19 Q. All right. What were the adjustments that  20 you talked about making?  21 A. I believe he mentioned that as things happen  22 going forward he may have to ask me to take less.  23 Q. Okay. And a short time later that evening  24 at 10:40 p.m. also on February 12th -- and this is</p>
<p style="text-align: right;">Page 151</p> <p>1 business that came by way of contacts through Bailey  2 Bailey &amp; Perrin.  3 While I initially put you guys together  4 in addition to getting us an audience with Papa  5 Bailey, I haven't kept up what you were doing with  6 that firm. My experience with that firm is that  7 they would like to make and keep as much of the fees  8 generated through their contacts as possible.  9 Please advise me on whether our deal with you is  10 creating an issue."  11 So I'd like to ask you first, Damon,  12 what prompted you to -- you know, albeit in e-mail  13 form -- to try to formalize the agreement that you  14 had with Labaton?  15 A. By February of 2009 basically two years had  16 passed, and we had no real anything, except for  17 e-mails back and forth.  18 And I am very easygoing about that, but  19 it had become I guess enough of an issue for me to  20 want to at least get an e-mail confirming what we  21 agreed to.  22 Q. Okay. And who is Frank Stout?  23 A. Frank Stout was Tim Herron's son-in-law in  24 Georgia.</p>	<p style="text-align: right;">Page 153</p> <p>1 designated LBS 040124 and 125 -- there's an  2 exchange, and, in fact, if you look at the bottom of  3 the first page, Eric at 4:57 p.m. late in the  4 afternoon says, "I spoke to Damon. We're on the  5 same page." Which we just covered.  6 And then Mr. Keller responds  7 approximately 15 minutes later to Eric and to Larry  8 Sucharow, okay, just so you know, blank is standing  9 in the way of our making a deal in blank which would  10 have made it incrementally more likely that we get  11 the case and blank a role in it. Blank said no to  12 the deal we are told despite the support of blank  13 now has no shot. A great job he is doing for the  14 client.  15 Any idea who Mr. Keller's referring to  16 here as far as standing in the way of a deal?  17 A. No, sir.  18 Q. It's not you, is it?  19 A. I don't think so.  20 MS. LUKEY: For the record, although we  21 didn't make the redactions, it's our understanding  22 nothing was intentionally redacted that relates  23 either to Mr. Chargois or to Arkansas.  24 So the redactions are to some unrelated</p>